



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY

LANSING

US EPA RECORDS CENTER REGION 5



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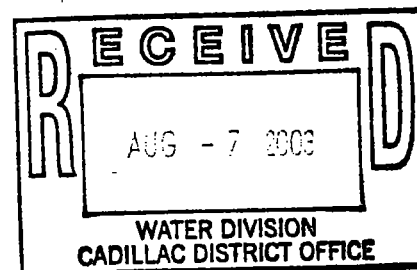
August 1, 2003

WRS
GT County



STEVEN E. CHESTER
DIRECTOR

The Honorable Michelle McManus
State Senator
State Capitol
P.O. Box 30036
Lansing, MI 48909-7536



Dear Senator McManus:

You received a letter dated June 23, 2003, from Mr. Joseph E. Quandt, representing Williamsburg Receiving & Storage, LLC, (WRS) of Williamsburg, Michigan. The letter addresses issues that WRS has relative to regulations pursuant to both the Part 5 and Part 22 Rules of Part 31, Water Resources Protection, of the Natural Resources and Environmental Protection Act, PA 451, as amended. During a subsequent conference call on July 24, 2003, the Department of Environmental Quality (DEQ) committed to providing you a summary of the environmental requirements for fruit processing facilities related to both Part 22 and Part 5, so we will not reiterate that information here. This letter specifically addresses the groundwater permit situation at WRS.

Historically WRS was a receiving station for fresh cherries during the cherry harvest. The cherries were cooled with water and shipped to other processing facilities. The WRS obtained a surface water permit under the National Pollution Discharge Elimination System (NPDES) program to discharge the cherry cooling water into Ptobego swamp. The NPDES permit regulated the amount of solids and chemical oxygen demand that could be discharged, which are measurements of substances that are toxic to aquatic life and deteriorate the quality of surface water. The Ptobego is an extensive wetland system drained by Ptobego Creek that connects to East Grand Traverse Bay.

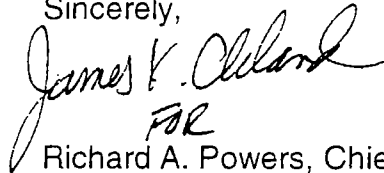
Sweet cherries were also received by WRS which were placed in brine pits. Brine pits are lined pools filled with a highly concentrated salt solution. Cherries soaked in the pits lose their sugars and color to the water. Once brining was complete WRS shipped cherries off-site in the brine for further processing. Brine was not disposed of on the property, therefore, no discharge permits were needed for this activity.

In December 1999 WRS received a Grand Traverse County economic development grant to purchase equipment used to convey cherries through a new cherry pitting and stemming process. In the spring of 2000, WRS applied for a groundwater permit to discharge wastewater generated from the planned cherry pitting operation. Cherries were separated from the brine in a tank, and a new conveyor system transferred the cherries to be pitted using a minimum amount of fresh water. Rather than disposing of the brine, the bulk of the rinse waters were captured and reused to ship the pitted cherries off-site for additional processing. The wastewater was proposed to be held in a lagoon and then

August 1, 2003

If you need further information or assistance, please contact Mr. James Janiczek, Supervisor, Permits and Technical Support Unit, Groundwater Section, Water Division, at 517-373-7262; or you may contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "James K. Cleland". The signature is fluid and cursive.

FOR
Richard A. Powers, Chief
Water Division
517-335-4176

cc: Senator Jason Allen
Representative Howard Walker
Representative David W. Palsrok
Mr. Stanley F. Pruss, Deputy Director, DEQ
Ms. Carol Linteau, Legislative Liaison, DEQ
Mr. Pete Ostland, DEQ
Mr. Robert Babcock, DEQ
~~Mr. Mike Stifler, DEQ – Cadillac~~
Mr. James Janiczek, DEQ

Fruit Processing Activities

*Water Division
Cadillac District Office*

The Department of Environmental Quality (DEQ) is currently dealing with several regulatory issues with cherry and fruit processing facilities. We consider these operations industrial activities, beyond the scope of individual farms and orchards. These processing activities fall under the regulatory authority found in Part 31, Water Resources Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). Any facility that generates a wastewater must obtain either a National Pollutant Discharge Elimination System (NPDES) (for surface water discharges) or groundwater permit to discharge that wastewater to the waters of the state.

WILLIAMSBURG RECEIVING AND STORAGE-WILLIAMSBURG

Historically, Williamsburg Receiving and Storage (WRS) was a receiving station for sweet and tart cherries during the cherry harvest. The cherries were cooled with water and shipped to other processing facilities. WRS obtained a surface water discharge permit under the NPDES program to discharge the cherry cooling water into Ptobego Swamp. The NPDES permit regulated the amount of solids and chemical oxygen demand that could be discharged, which are measurements of substances that kill aquatic life and deteriorate the quality of a surface water body. The Ptobego Swamp is an extensive wetland system drained by Ptobego Creek, which subsequently connects to East Grand Traverse Bay.

WRS also received sweet cherries that were placed in brine pits. Brine pits are lined pools filled with a highly concentrated salt solution. Cherries soaked in the pits lose their sugars and color to the water. Once brining was complete, WRS shipped cherries off site in the brine for further processing. Brine was not disposed of on the property; therefore, no discharge permits were needed for this activity.

In December 1999, WRS received a Grand Traverse County economic development grant to purchase equipment used to convey cherries through a new cherry pitting and stemming process. WRS presented the project as an innovative, "green" technology. Cherries were separated from the brine in a tank, and a new conveyor system transferred the cherries to be pitted and sized using a minimum amount of fresh water. The used fresh water results in processed wastewater, which was proposed to be held in a lagoon and then spray irrigated on farmland around the facility. Rather than disposing of the brine, the bulk of the brine is captured and reused to ship the pitted cherries off-site for additional processing.

Beginning in the spring of 2000, WRS applied for a groundwater permit to discharge wastewater generated from the planned cherry pitting operation.

June 26, 2001

The DEQ issued a Letter of Warning citing WRS for nuisance odors. Continued odor complaints were received throughout the summer of 2001. Over 20 complaints were documented from at least 8 people living near the facility and as far away as 2 miles.

July 21, 2001

An open burning complaint was received (letter and photos) and referred to the DEQ's Air Quality Division.

May 6, 2002

Staff of the DEQ sent a letter to WRS identifying additional violations of Part 31 of the NREPA since issuance of the NOV on February 7, 2001. Specific violations identified in the letter included:

- a. Continued discharges of process water and brine to a roadside ditch that drains to a wetland.
- b. Ponding and nuisance odor conditions in the groundwater discharge area.
- c. Over-application of wastewater to the groundwater discharge area during the first quarter of 2002, in violation of the groundwater permit.
- d. The concentrations of sodium, chloride, and phosphorus contained in the wastewater discharged to the groundwater during the first quarter of 2002 were in excess of and in violation of the limitations placed on these substances in the groundwater permit.

August 16, 2002

A consent order was negotiated and signed by the DEQ and WRS. The order required WRS to do the following:

- a. Discontinue placing the brine and sugar waste process waters into the lagoon that was designed to hold cherry pitting water for irrigation.
- b. Control storm water to stop the discharge of contaminated water through storm drains, and obtain a storm water permit.
- c. Manage the lagoon to stop putrid odors.
- d. Conduct a hydrogeological investigation to determine whether the illegal discharges of brine have contaminated the groundwater.
- e. Store brine to prevent spills and leaks from flowing into the environment as is required by the Part 5 rules, Spillage of Oil and Polluting Materials, promulgated under Part 31 of the NREPA.

LEELANAU FRUIT-SUTTONS BAY

Leelanau Fruit has not had a groundwater discharge permit since 1978. Recently, at the DEQ's request, they developed a schedule for submitting a permit application. Their initial application was incomplete. They did a good job of characterizing their wastewater, but we do not know if the groundwater is contaminated. We are assisting them with the development of a sound hydrogeological work plan.

TRIPLE D-EMPIRE

Triple D had an illegal discharge for many years. Recently, the DEQ worked with them to characterize their wastewater and to submit a permit application. They now have a permit to irrigate with cherry processing waste. This required, on their part, a substantial investment in process controls and waste treatment. We have helped them deal with several noncompliance issues. The primary remaining issues involve dealing with an unlined lagoon on-site and upgradient groundwater contamination.

SMELTZER-FRANKFORT

This has been a very cooperative company. They have submitted a permit application for renewal on time and remain in compliance with groundwater discharge requirements.

*Mike Stifler
Cadillac District Supervisor
July 29, 2003*